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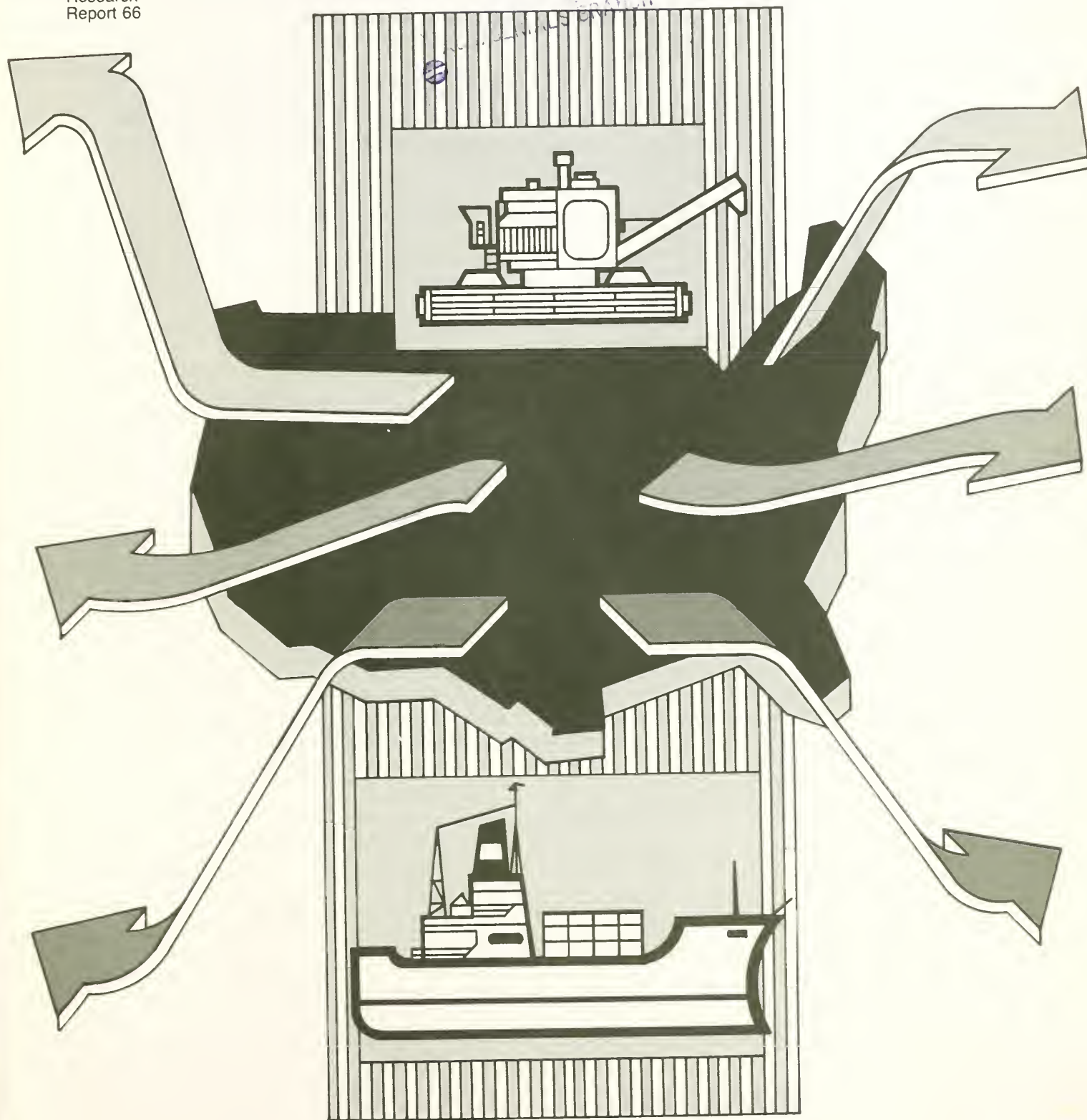
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Agricultural Exports By Cooperatives, 1985

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Abstract

Agricultural Exports by Cooperatives, 1985

Tracey L. Kennedy and Arvin R. Bunker, Agricultural Cooperative Service,
U.S. Department of Agriculture, ACS Research Report 66.

Eighty-seven agricultural cooperatives reported exports valued at \$3.39 billion in 1985. Grains and feeds had the largest dollar value at \$1.7 billion, followed by cotton, oilseeds, fruit products, and nuts. Cooperative share of U.S. agricultural exports in 1985 was 11.7 percent. Southeast and East Asia provided the largest market for cooperative exporters in 1985.

Key words: Cooperatives, agricultural exports, cooperative exports.

September 1987

Preface

This report describes the role of agricultural cooperative exporters in terms of number, value of exports by commodity and destination, and share of U.S. agricultural exports. The report is based on a survey of cooperative exporters for calendar year 1985.

Research Methodology

As part of its efforts to expand U.S. exports and to assist farmer cooperatives, the Agricultural Cooperative Service (ACS) periodically measures exports by agricultural cooperatives. This survey, covering calendar year 1985, was preceded by similar surveys in 1970, 1976, and 1980. These reports represent the only efforts to measure cooperative export activity across all agricultural commodities.

Data for this report were gathered directly from U.S. cooperatives. The data collection technique, described in the Appendix, was changed for the 1985 study. Cooperatives were not asked to differentiate between "direct" and "indirect" exports as in previous surveys, but rather a total value by commodity and destination. Thus, for purposes of comparison, 1980 data have been adjusted to reflect a total (direct + indirect). As a result, care must be taken in comparing data in this issue with that in the 1980 publication.

Definitions

An export sale is defined as a shipment to a foreign destination except to:

- U.S. armed forces or U.S. diplomatic missions abroad, for their use.
- U.S. territorial possessions Guam, Puerto Rico, and the Virgin Islands.
- Vessels and planes engaged in international commerce, for use as supplies.

Cooperatives were asked to report dollar values of exports for calendar 1985, by commodity group and destination. This included all sales normally recorded as exports by the cooperative (with the exception of sales falling into the categories listed above), that is, sold expressly for export. Respondents were not asked to differentiate between "direct" or "indirect" exports in reporting dollar values. They were, however, asked to provide percentages of total exports (a) Sold directly to foreign buyer through own export department or sales staff; (b) Sold through domestically based export commission agent; (c) sold through foreign-based export commission agent; (d) sold to domestically based export management or export trading company; or (e) other methods.

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Highlights

In 1985, 87 farmer-owned cooperatives had exports valued at \$3.39 billion, down from \$6.36 billion in 1980. Grain exports from 15 cooperatives, at \$1.7 billion, were more than half the total for all cooperative exports. Cotton, from five cooperatives, followed at \$413 million, while oilseeds and related products amounted to \$398 million. Twenty-nine cooperatives had fruit exports valued at \$377 million and 3 exported nut products worth \$279 million.

The cooperative share of total U.S. agricultural exports in 1985 was 11.7 percent. On a commodity basis, nut exports were the largest at 40.8 percent, followed by fruit at 31.8 percent. Cooperatives exported 25 percent of U.S. cotton. Grains and feeds exports by cooperatives accounted for a 14.9-percent share, followed by oilseeds at 8.7 percent and vegetable products at 6.4 percent. Cooperative exports of animals and related products were less than 1 percent of U.S. exports from that group.

Cooperatives exported to 102 countries in 1985. Southeast and East Asia was the largest regional market with \$775 million. Western Europe accounted for \$468 million. More than \$1.2 billion in cooperative exports had unknown or unreported destinations in 1985.

AGRICULTURAL EXPORTS BY COOPERATIVES, 1985

Tracey L. Kennedy and Arvin R. Bunker

Since the mid-1970's, agricultural exports have been an important part of farm sector and national economies. A substantial amount of cultivated acreage is dedicated to production for export, and farmers derive significant portions of their income from the sale of agricultural commodities in foreign markets. Employment in every sector of domestic industry is generated from agricultural exports and the agricultural trade sector contributes surpluses to the overall U.S. trade balance.

Farmer-owned cooperatives take an active role in exporting, investing in export facilities and market development, and gearing their domestic assembly and handling systems to take advantage of growing opportunities overseas. Cooperatives have become a presence in the international market in virtually every major commodity, from grains and oilseeds to fresh and processed horticultural products. These activities are the logical step for farmer-owners to exert greater control over marketing the products they produce.

The mid-1980's saw a decline in the fortunes of U.S. agricultural trade. Declining world demand for U.S. agricultural products caused by a strong dollar, global recession, increased competition, and other factors have resulted in a severe trade reduction that has contributed to uncertainties at the production and agribusiness levels. The value of U.S. agricultural exports, which increased from \$8 billion in 1972 to \$38 billion in 1984, declined to \$29 billion in 1985 and \$26.2 billion in 1986, and is expected to remain at the \$26-billion level in fiscal 1987.¹

Cooperatives, although feeling the effects of declining U.S. exports along with other types of agribusiness, continue to maintain a presence in U.S. agricultural trade and are dominant players in some commodity groups.

COOPERATIVE PARTICIPATION IN EXPORTING IN 1985

In 1985, 87 cooperatives in 29 States reported exports of agricultural products. California had the largest concentration, 22, and also the most diversity in terms of products exported. Washington and Texas had eight and seven cooperative exporters, respectively.

In terms of dollar value of exports, cooperatives ranged from less than \$5,000 to more than \$600 million. Thirty cooperatives exported less than \$1 million each. However, \$2.6 billion or 77 percent of total exports was concentrated among only 10 cooperatives, with \$100 million or more (table 1).

Export Values

Cooperatives reported export sales totaling more than \$3.39 billion in 1985 (table 2, fig. 1). Grains and feed exports by 15 cooperatives accounted for \$1.74 billion, or 51.1 percent of the total value. Cotton from five cooperatives was the second most valuable export at \$413 million, or 12.2 percent. Ten cooperatives exported oilseeds and related products valued at \$398 million, 11.7 percent of the total value, followed by fruit products from 29 cooperatives, valued at \$377 million, 11.1 percent of the total.

¹ *Outlook of U.S. Agricultural Exports*, February 19, 1987; USDA-ERS.

Figure 1

Export Values by Commodity as Percent of Total Cooperative Exports

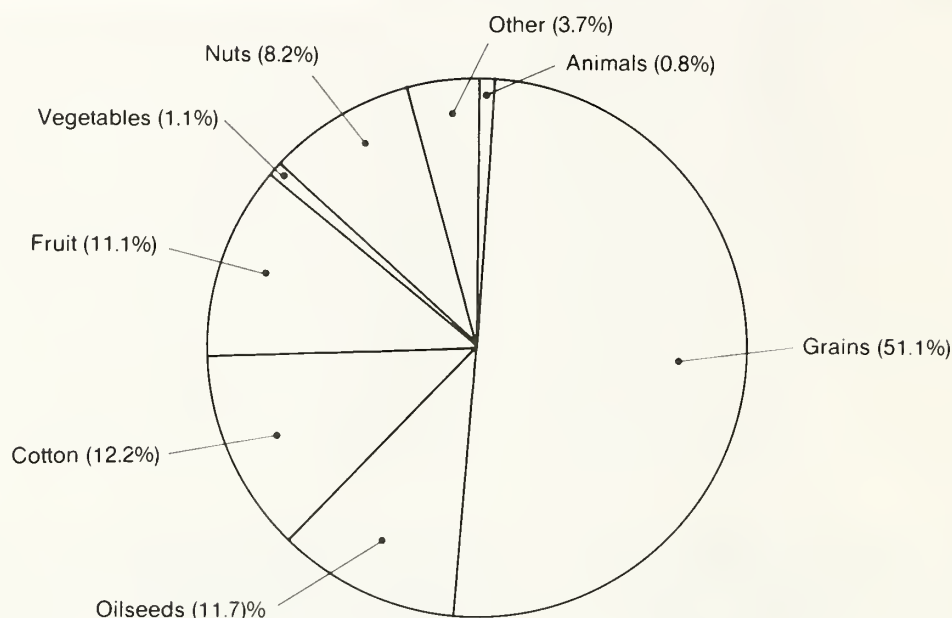


Table 1—Concentration of export dollar volumes among cooperative exporters, 1985

Range	No. Co-ops	Total dollar volume	Percent of volume
Less than \$1 mil	30	11,133,540	0.3
\$1 mil - \$4.9 mil	19	48,576,764	1.4
\$5 mil - \$9.9 mil	10	72,024,974	2.1
\$10 mil - \$19.9 mil	5	72,764,320	2.1
\$20 mil - \$49.9 mil	8	236,503,208	6.7
\$50 mil - \$99.9 mil	5	326,920,105	9.6
\$100 mil - \$249.9 mil	5	809,927,627	23.9
\$250 mil or more	5	1,818,097,203	53.5
Totals	87	3,395,947,741	100.0 ¹

¹Does not add due to rounding.

Table 2—Value of agricultural exports by cooperatives, 1985

Commodity group	No. Co-ops	Dollar Value	Percent of total
Animals & animal products ¹	14	27,933,488	0.8
Grains & feeds ²	15	1,736,860,232	51.1
Oilseeds & products ³	10	398,861,257	11.7
Cotton ⁴	5	413,171,659	12.2
Fruit & products	29	377,602,036	11.1
Vegetables & products	7	37,687,696	1.1
Nuts & products	3	279,010,573	8.2
Other commodities ⁵	14	124,820,800	3.7
Totals	87 ⁶	3,395,947,741	100.0 ⁷

¹Excluding furskins; fats, oils, and greases.

²Includes foodgrains, feedgrains, beet pulp, citrus pulp, potato pulp, and other feed ingredients.

³Including peanuts.

⁴Including linters.

⁵Includes honey, wine, seed, tobacco, dairy equipment, nursery products, pet food, coffee, fertilizer, and miscellaneous grocery products.

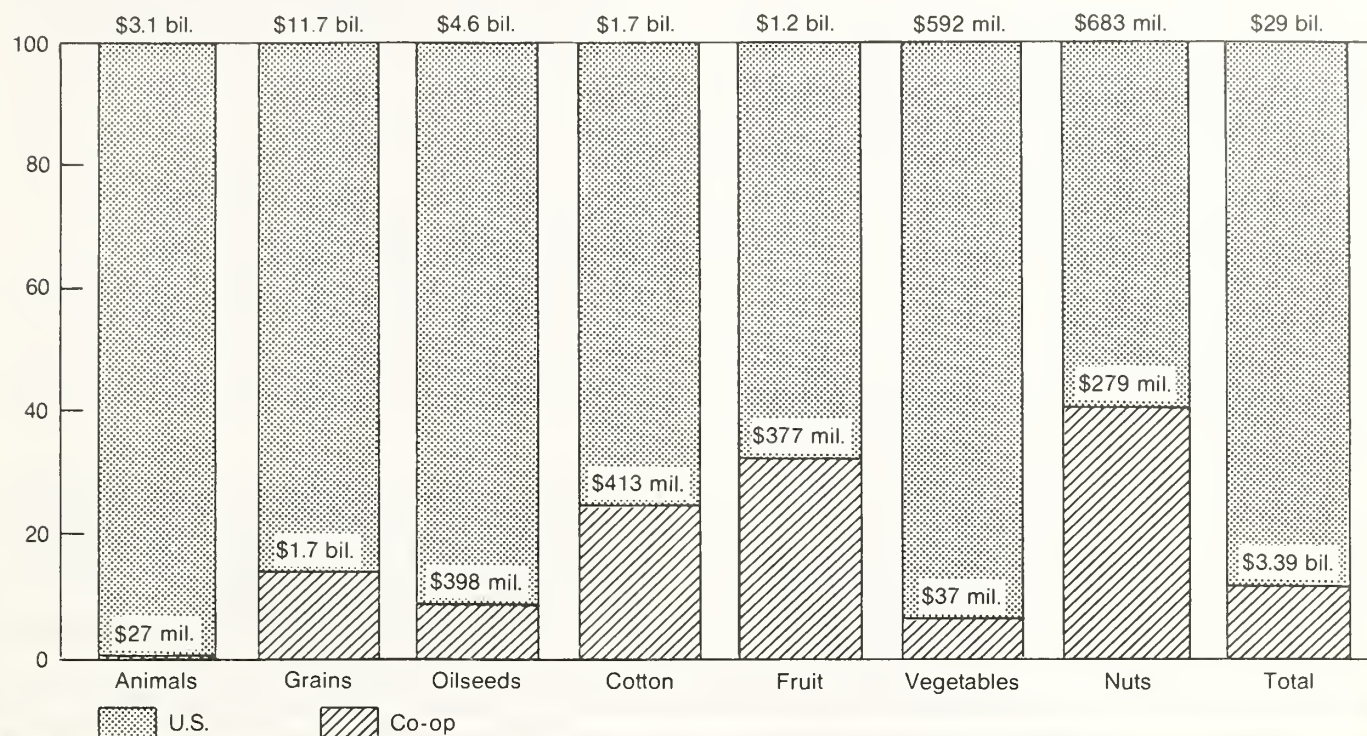
⁶Does not add because some cooperatives had exports from more than one commodity group.

⁷Does not add due to rounding.

Figure 2

Cooperative Share of U.S. Exports, 1985

Percent



Nut product exports valued at \$279 million, or 8.2 percent, were reported by three cooperatives. Seven cooperatives exported vegetable products valued at \$37.7 million, or 1.1 percent of the total value, while animal products from 14 cooperatives accounted for \$27.9 million, less than 1 percent.

Fourteen cooperatives reported exports of other products valued at \$124 million, including honey, coffee, pet food, nursery products, fertilizer, farm equipment, and miscellaneous grocery products.

Export Shares

Cooperatives accounted for more than 11.7 percent of the dollar value of total U.S. agricultural exports in calendar 1985 (table 3, fig. 2).

Cooperatives had relatively large shares in several commodity groups. Exports of nut products at \$279 million accounted for 40 percent of the total value of all U.S. nut exports. Cooperative fruit exports valued at \$377 million were 31 percent of U.S. exports of similar

Table 3—Cooperative shares of U.S. agricultural exports, 1985

Commodity group	U.S. ¹	Co-op	Co-op Share
	----- \$1,000 -----		Percent
Animals & animal products ²	3,092,785	27,934	0.9
Grains & feeds ³	11,666,291	1,736,860	14.9
Oilseeds & products ⁴	4,593,674	398,861	8.7
Cotton ⁵	1,651,567	413,172	25.0
Fruit & products	1,186,236	377,602	31.8
Vegetables & products	592,041	37,688	6.4
Nuts & products	683,344	279,011	40.8
Other commodities ⁶	---	124,820	---
Totals⁷	29,026,077	3,395,948	11.7

¹Source: Foreign Agricultural Trade of the United States; Calendar 1985 Supplement, USDA/ERS.

²Excluding furskins; fats, oils, and greases.

³Includes foodgrains, feedgrains, beet pulp, citrus pulp, potato pulp, and other feed ingredients.

⁴Including peanuts.

⁵Including linters.

⁶Includes honey, wine, seed, tobacco, dairy equipment, nursery products, pet food, coffee, fertilizer, and miscellaneous grocery products.

⁷Does not add due to rounding.

products. These numbers suggest the importance of cooperatives in the export of branded, differentiated specialty products.

Among bulk commodities the largest share was cotton, at 25 percent. Grains and feeds exports accounted for almost 15 percent of U.S. exports of those commodities, while oilseeds and oilseed products had an 8.7- percent share.

Cooperative vegetable products made up 6.4 percent of U.S. vegetable exports. The cooperative export share of animal products was less than 1 percent.

Markets for Cooperative Exports

Cooperative exports went to 102 different countries in 1985, primarily in Southeast and East Asia. Exports to this region were \$775 million, or 22.8 percent of the total, and were made up mainly of cotton, fruit products, and grains and feeds (table 4, fig. 3).

Western Europe was the second largest regional market

for cooperative exports at \$468 million, or 13.8 percent of the total. Grains and feeds, fruit, and cotton constituted the bulk of these shipments. Eastern Europe, including the Soviet Union, had imports of cooperative products valued at \$201 million, or 5.9 percent of the total. African destinations were next with \$167 million, or 4.9 percent.

Mexico purchased \$143 million in cooperative products in 1985 or 4.2 percent of the total, followed closely by West Asian markets at \$141 million—mainly grains. South American markets accounted for \$126 million, or 3.7 percent of foreign sales. Grains and feeds were also the primary export to South America. Cooperative exports to Canada amounted to only \$61 million in 1985. Central American, Caribbean, South Asian, and Australian markets accounted for less than 1 percent each of the total value.

Destinations for cooperative exports valued at more than \$1.25 billion, or 36.9 percent of the total, were unknown or unreported in 1985. This large amount reflects sales, mainly grains and oilseeds, made to domestically based export companies for resale overseas.

Table 4—Dollar values of cooperative exports, by destination and commodity groups, 1985

Destination	Animals & Products ¹	Grains & Feeds ²	Oilseeds & Products ³	Cotton ⁴	Fruit & Products	Vegetables & Products	Nuts ⁵	Other ⁶	Total
Canada & North America	1,151,282	35,158,289	n/a	0	8,876,062	n/a	n/a	790,665	61,052,295
Mexico	1,217,319	n/a	n/a	0	n/a	0	n/a	0	143,389,122
Central America	105,300	n/a	0	n/a	1,469,799	n/a	n/a	n/a	16,560,867
Caribbean	2,778,003	5,654,654	0	0	1,156,450	n/a	n/a	n/a	10,316,847
South America	687,819	122,343,401	n/a	n/a	785,283	0	n/a	n/a	126,371,876
Western Europe ⁷	8,734,190	154,792,501	48,286,078	60,932,509	67,890,619	n/a	n/a	915,339	468,843,450
Eastern Europe & USSR	3,174,821	n/a	n/a	34,923,838	0	0	n/a	0	201,851,495
South Asia ⁸	20,875	n/a	0	0	0	0	n/a	0	19,320,002
Southeast & East Asia ⁹	5,717,570	105,274,139	78,823,683	271,518,853	259,312,433	12,713,071	38,352,542	3,543,400	775,255,691
West Asia ¹⁰	391,712	122,901,042	n/a	0	8,074,758	n/a	n/a	n/a	141,665,654
Africa	122,859	105,172,990	0	n/a	n/a	0	n/a	n/a	167,788,298
Oceania ¹¹	n/a **	n/a	0	0	3,467,259	0	n/a	n/a	10,576,733
Unknown, unreported	3,752,841	854,697,501	247,355,824	0	26,435,847	19,778,270	0	100,935,128	1,252,955,411
Total	27,933,488	1,736,860,232	398,861,257	413,171,659	377,602,036	37,687,696	279,010,573	124,820,800	3,395,947,741

¹Excluding fur skins; fats, oils, greases.

²Includes citrus, beet, potato pulp.

³Including peanuts.

⁴Including linters.

⁵Excluding peanuts

⁶Includes honey, wine, seed, tobacco, dairy equipment, nursery products, pet food, coffee, miscellaneous grocery products.

⁷EEC and non-EEC.

⁸Bangladesh, India, Nepal, Pakistan, Sri Lanka.

⁹Hong Kong, Indonesia, Malaysia, Philippines, Singapore, Thailand, Japan, PRC, Taiwan, Korea.

¹⁰Bahrain, Cyprus, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, Turkey, UAE, Yemen.

¹¹Australia, New Zealand, Papua New Guinea, French Pacific Islands.

** n/a fewer than 3 cooperatives

COMMODITY REVIEWS

More specific information on major commodity groups is provided in this section. Where possible, each group has been divided into relevant subgroups. Data are not provided where there are fewer than three cooperative exporters.

Animals and Products

Animals and animal products were the smallest category of cooperative exports in 1985, valued at \$27.9 million (table 5). Within this group, meats and poultry product exports (variety meats, fresh pork, broilers, turkeys, and eggs) by six cooperatives accounted for the largest portion at \$14.9 million, or 1.2 percent of U.S. exports of these products.

Other animal products, such as frozen semen and hides and skins, accounted for just over \$9 million in exports from eight cooperatives. Dairy products exports from four cooperatives were valued at \$3.9 million and represented less than 1 percent of U.S. dairy products exports. These

products included whey, dry milk, cheese, cheese products, and lactose.

Primary destinations for cooperative animal products were Western Europe and Southeast and East Asia.

Table 5—Animals and animal products, values of exports by cooperatives, 1985¹.

Commodity	No. Co-ops	Dollar Value	Percent of U.S. Exports
Meats, poultry and products ²	6	14,907,173	1.2
Dairy products ³	4	3,923,142	0.9
Other animal products ⁴	8	9,103,173	- - -
Total	14⁵	27,933,488	0.9

¹Excluding furskins, fats, oils, and greases.

²Includes variety meats, fresh pork, broilers, turkey, eggs.

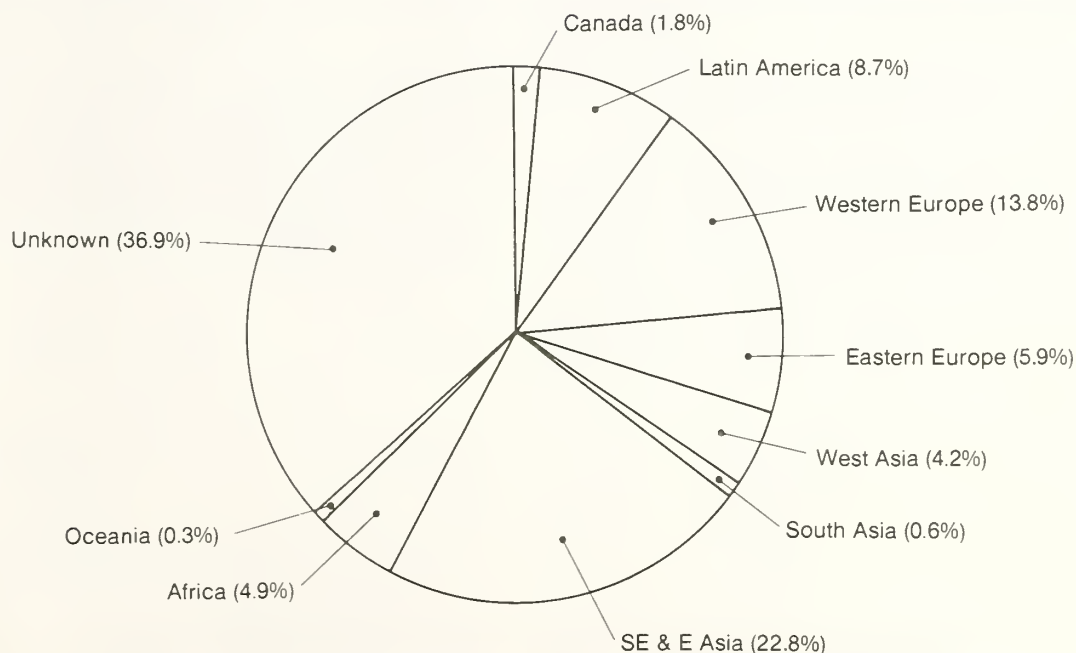
³Includes whey, dry milk, cheese, cheese products, lactose.

⁴Includes frozen semen, hides and skins.

⁵Does not add because some cooperatives had exports from more than one commodity subgroup.

Figure 3

Cooperative Exports by Destination, 1985



Grains and Feeds

Grains and feeds were the largest commodity export with a total value of \$1.74 billion (table 6). Fifteen cooperatives were exporters of grains and feeds in 1985. Cooperatives accounted for 14.9 percent of U.S. grains and feeds exports.

Corn exports from seven cooperatives valued at just over \$1 billion represented the largest dollar volume of cooperative grain exports in 1985. The cooperative share of the total value of U.S. corn exports was 20.7 percent.

Wheat exports (hard red winter, durum, white, and spring) from four cooperatives had the second largest dollar volume at \$425 million, and accounted for 11.8 percent of U.S. wheat exports.

Rice exports of \$189 million by four cooperatives represented the largest cooperative grain share with 28.5 percent of U.S. rice exports for 1985. Grain sorghum exports by three cooperatives were valued at \$24.9 million and accounted for 3.4 percent of U.S. exports of that commodity. Feeds and fodders, which includes prepared feeds, feed ingredients, citrus pulp, beet pulp, potato pulp, were exported by four cooperatives and were valued at \$22 million. Because of the diversity of products in this group, it is not possible to generate valid share data.

Almost half of all cooperative exports of grains had unknown or unreported destinations. This generally represents grain loaded out at cooperative port facilities

Table 6—Grains and feeds, values of exports by cooperatives, 1985

Commodity	No. Co-ops	Dollar value	Percent of U.S. exports
Wheat and products ¹	4	425,878,568	11.8
Rice	4	189,301,929	28.5
Grain sorghum	3	24,854,918	3.4
Corn	7	1,074,604,103	20.7
Feeds and fodders ²	4	22,220,714	- - -
Totals	15 ³	1,736,860,232	14.9

¹Includes hard red winter wheat, durum wheat, white wheat, spring wheat.

²Excludes oilcake; includes beet pulp, citrus pulp, potato pulp for feed, feed ingredients, prepared feeds.

³Does add because some cooperatives had exports from more than one commodity subgroup.

for a third party. Western Europe, West Asia, and South America were the largest of the reported destinations for grains.

Oilseeds and Products

Oilseeds and related products from 10 cooperatives had the third highest dollar volume in 1985. Soybeans were the largest component of this group, valued at \$216 million (table 7). Soybeans, which were exported by six cooperatives, accounted for 5.8 percent of the total value of U.S. soybean exports.

Oils, including soybean and cottonseed, were exported by six cooperatives and valued at \$163 million. Exports of peanuts, sunflowerseed, and cottonseed from three cooperatives were valued at \$18 million, a 6.1- percent share.

Again, destinations for a large proportion of oilseed exports were not reported, for reasons cited in the grains section.

Fruit and Products

Fruit exports of \$377 million gave cooperatives a strong 31.8-percent share of U.S. exports of those products in 1985 (table 8). Fruit represented the largest number of cooperative exporters at 29.

Fresh citrus from four cooperatives and valued at more than \$221 million provided the largest cooperative share of U.S. exports at 51.2 percent. Fresh deciduous fruits

Table 7—Oilseeds and products¹, values of exports by cooperatives, 1985

Commodity	No. Co-ops	Dollar Value	Percent of U.S. Exports
Soybeans	6	216,875,195	5.8
Other oilseeds ²	3	18,541,441	6.1
Oils ³	6	163,444,621	- - -
Totals	10 ⁴	398,861,257	8.7

¹Includes peanuts.

²Includes peanuts, sunflowerseed, cottonseed.

³Includes soybean oil, cottonseed oils.

⁴Does not add because some cooperatives had exports from more than one commodity subgroup.

(apples, pears, cherries, plums, peaches, apricots, nectarines, strawberries, blueberries, and cranberries) exported by 16 cooperatives were valued at \$42 million and accounted for 13.8 percent of U.S. exports of those varieties.

Processed fruit products, including both citrus and deciduous, were exported by 21 cooperatives. They exported \$113 million of these products, a 25.5-percent share. Included among these products were citrus juices and concentrates; noncitrus concentrates, juices and juice blends; a wide variety of canned, frozen, and dried deciduous fruits, including apples, olives, cranberries, cherries, peaches, rhubarb, raisins, figs, and prunes.

Southeast and East Asia was easily the largest market.

Vegetables and Products

Seven cooperatives were involved in exporting vegetable products valued at \$37 million, a 6.4-percent share (table 9). Fresh and processed vegetables (mainly processed, including corn, beans, onions, potatoes, tomatoes, and blends) were valued at more than \$19 million, a 4.9-percent share. Exports of pulses from three cooperatives were valued at more than \$17 million, a 9.5-percent share.

Nuts, Cotton, and Other Products

Table 10 summarizes three product groups that cannot be broken into subgroups. Nut exports (including almonds, walnuts, hazelnuts, pistachios, and macadamia nuts) from three cooperatives were valued at \$279 million for a strong 40.8-percent share of U.S. nut exports, as discussed previously. Cotton (including linters) from five exporters was valued at \$413 million for a cooperative share of 25 percent. Exports of other products, which include honey, wine, seed, tobacco, dairy equipment, nursery products, fertilizer, pet food, coffee, and miscellaneous grocery products, were valued at \$124 million. Because of the "catch-all" nature of this category, it is not possible to present valid share data.

Because data representing fewer than three cooperatives may not be disclosed, values for most destinations for nuts and other products are not available. Southeast and East Asia was the largest reported market for cotton.

Table 8—Fruit and products; values of exports by cooperatives, 1985

Commodity	No. Co-ops	Dollar Value	Percent of U.S. Exports
Fresh citrus ¹	4	221,625,895	51.2
Fresh deciduous ²	16	42,704,040	13.8
Processed citrus and ³ deciduous fruits	21	113,272,101	25.5
Totals	29 ⁴	377,602,036	31.8

¹Includes lemons, oranges, grapefruit, tangerines.

²Includes apples, pears, cherries, plums, apricots, nectarines, peaches, blueberries, strawberries, cranberries.

³Includes grapefruit concentrate, citrus juices, apples, grapes, olives, cranberries, cherries, peaches, rhubarb, raisins, figs, prunes, blends, and assorted canned, frozen, and dried deciduous fruits.

⁴Does not add because some cooperatives had exports from more than one commodity subgroup.

Table 9—Vegetables and products; values of exports by cooperatives, 1985

Commodity	No. Co-ops	Dollar Value	Percent of U.S. Exports
Vegetables, fresh and processed ¹	4	19,912,849	4.9
Pulses	3	17,774,847	9.5
Totals	7 ²	37,687,696	6.4

¹Mainly processed vegetables; includes corn, beans, onions, potatoes, tomatoes, brussel sprouts, blends.

²Some cooperatives had exports from more than one commodity subgroup.

Table 10—Nuts, cotton, and other products; values of exports by cooperatives, 1985

Commodity	No. Co-ops	Dollar Value	Percent of U.S. Exports
Nuts ¹	3	279,010,573	40.8
Cotton ²	5	413,171,659	25.0
Other products ³	14	124,820,800	---

¹Includes, almonds, walnuts, hazelnuts, pistachios, macadamia nuts.

²Includes cotton lintens.

³Includes honey, wine, seed, tobacco, dairy equipment, tropical flowers, fertilizer, pet food, coffee, miscellaneous grocery products.

CHANGES SINCE 1980

Number of Exporters

A number of changes occurred in cooperative export participation and performance from 1980 to 1985. Eighteen of sixty-three cooperatives reporting exports in 1980 dropped from the list. This is the result of a number of mergers and dissolutions, and also reflects irregular export activities. The overall increase in number of cooperatives exporting from 63 in 1980 to 87 in 1985 is due to the addition of 42 cooperative exporters new to the list, for a net gain of 24. This increase reflects changes in data-gathering methodology as well as increased opportunities for specialty product exports.

The number of cooperatives exporting animals and animal products doubled from 7 to 14 over the period, the result of increased export activity by dairy and artificial insemination cooperatives (table 11).

Changes in cooperative grain structure are evident in the data for this commodity group. However, a number of mergers and joint ventures that have become effective since the data were collected will not be apparent. A similar scenario applies to oilseeds.

The increase in cooperative fruit exporters is due largely to changes in methodology that resulted in reporting several cooperatives with exports of less than \$1 million each, as well as increased interest in exports of specialty products.

Numbers of cooperative vegetable exporters decreased from 10 to 7 over the period, reflecting the loss of several dry bean cooperatives, while exporters of nuts remained relatively stable, and cooperative participants in the cotton trade remained the same.

The increase in cooperative exporters in the category of other products again reflects the increase in interest in specialty product exports.

Export Values

While the number of cooperative exporters increased from 1980 to 1985, total dollar value of exports decreased by half, from \$6.3 billion to \$3.4 billion (table 11). This is consistent with the overall downturn in U.S. trade although some commodity groups were affected more than others.

Although the number of exporters of animal products increased significantly, value of animal products exports dropped precipitously from \$111 million to \$27 million. This is due largely to the withdrawal of cooperatives from the red meats business and the decline in live animal exports to Canada. The latter accounted for much of the value of exports in this category in 1980 and appear to have been one-time efforts.

The decrease in export value of grains from \$3.6 billion to \$1.7 billion is the result of the withdrawal of some cooperatives from grain exporting, as well as the effect of the overall downturn in the U.S. grain trade. Similarly, changes in the structure of the cooperative oilseeds sector have magnified the effect of slumping U.S. trade resulting in a decrease from \$1.3 billion in 1980 to \$398 million in 1985.

Declining value of fruit exports from \$422 million to \$377 million is consistent with the trend in U.S. exports for these products and the effects of loss of some European markets and increasing competitiveness of other countries.

Vegetable products was one of two commodity groups that increased in value from 1980 to 1985 despite a decline in number of exporters. This is due likely to increased sales of some canned and frozen vegetable products.

Cooperatives, already dominant players in nut products, showed an increase from \$255 million to \$279 million from 1980 to 1985, the result of innovative marketing programs in established markets and expanded efforts in opening new markets.

The "catch-all" nature of the "other products" category does not allow for valid comparison of dollar values. However, several products such as fertilizer components and dairy equipment are new to the category in 1985.

Several noteworthy changes in the relative importance of commodity groups are evident (fig. 4). Despite a drop from 56.6 percent to 51.2 percent, grains and feeds still command the largest percentage of total value of cooperative exports. Oilseeds, however, accounted for only 11.8 percent of the total in 1985, a significant drop from 21.3 percent in 1980. Several commodities increased in importance, including cotton, representing 12.2 percent, up from 9.4 percent; fruit products increased from 6.6 percent to 11.1 percent; nuts increased from 3.3 percent to 8.2 percent; vegetables increased slightly from

Figure 4

Value by Commodity Group as Percent of Total Cooperative Exports, 1980 and 1985

Percent

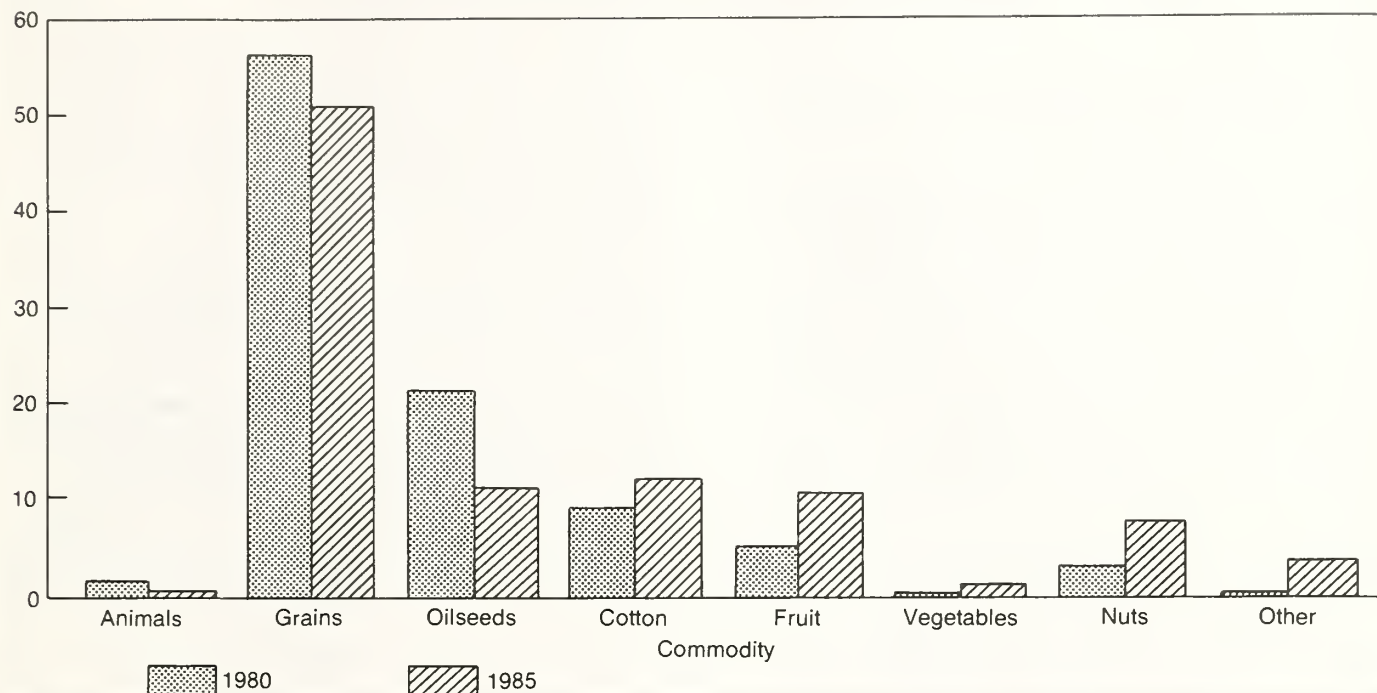


Table 11—Values of agricultural exports by cooperatives and cooperative shares of U.S. exports, by commodity group, 1980 and 1985¹

Commodity Group	1980 ²			1985		
	No. Co-ops	Value (\$1,000)	Percent of U.S.	No. Co-ops	Value (\$1,000)	Percent of U.S.
Animals & products ³	7	111,109	3.4	14	27,934	0.9
Grains & feeds ⁴	17	3,624,173	19.2	15	1,736,860	14.9
Oilseeds & products ⁵	9	1,357,498	14.5	10	398,861	8.7
Cotton ⁶	5	605,203	21.0	5	413,172	25.0
Fruit & products	22	422,980	31.7	29	377,602	31.8
Vegetables & products	10	28,804	2.4	7	37,688	6.4
Nuts	4	255,526	44.2	3	279,011	40.8
Other commodities ⁷	3	7,354	- - -	14	124,820	- - -
Total	63⁸	6,366,733	15.4	87⁹	3,395,948	11.7

¹1980: Total dollar value of exports = direct exports plus indirect exports.

1985: Dollar values reported as total, direct and indirect, not distinguishable.

²Source: Agricultural Exports by Cooperatives, 1980. Tracey L. Kennedy, USDA-ACS, ACS RR 26, 1982.

³Excluding furskins; and fats, oils, and greases.

⁴Includes beet pulp, citrus pulp, and potato pulp.

⁵Including peanuts.

⁶Including linters.

⁷Includes honey, wine, seed, tobacco, dairy equipment, nursery products, fertilizer, pet food, and miscellaneous grocery products.

⁸Does not add because some cooperatives had exports in more than one commodity group.

⁹Does not add because some cooperatives had exports from more than one commodity group.

0.5 percent to 1.1 percent; and other products increased from 0.5 percent to 3.7 percent.

Export Shares

Cooperatives increased their share of U.S. agricultural exports in three commodity groups in 1985.

Cooperative share of the value of U.S. agricultural exports fell from 15.4 percent in 1980 to 11.7 percent in 1985 (table 11). Cooperative share of U.S. exports of animal products decreased from 3.4 percent to less than 1 percent over the period. Share of grain exports decreased to 14.9 percent from 19.2 percent, while oilseed exports accounted for only 8.9 percent of U.S. oilseed exports, down from 14.5 percent. Although value of nut exports by cooperatives increased from 1980 to 1985, cooperative share of these sales declined from 44.2 percent to 40.8 percent.

Cooperative share of fruit exports remained stable at just over 31 percent despite a decline in dollar value. Similarly, cooperative cotton exports accounted for 25 percent in 1985, up from 21 percent, despite a decrease in dollar value over the same period. Share of vegetable products exports also increased from 2.4 percent in 1980 to 6.4 percent in 1985.

In comparing changes in export performance via share data, it is useful to look at changes in values of both cooperative and U.S. exports over the period (table 12).

For example, the decline in cooperative share of U.S. agricultural exports from 15.4 percent to 11.7 percent, or

Table 12—Changes in cooperative shares of U.S. exports; and in values of U.S. and cooperative exports, from 1980 to 1985

Commodity Group	Change in Co-op Share	Changes in Dollar Values	
		U.S.	Cooperative
Animals & products	-2.5	-6.2	-74.9
Grains & feeds	-4.3	-38.2	-52.1
Oilseeds & products	-5.8	-50.8	-70.6
Cotton	+4.0	-43.0	-31.7
Fruit & products	+0.1	-11.1	-10.7
Vegetables & products	+4.0	-50.2	+30.8
Nuts	-3.8	+18.2	+9.2
Other commodities	---	---	---
Totals	-3.7	-29.6	-46.7

3.7 percentage points, is consistent with the larger cooperative decrease of 46 percent, compared with the 29-percent drop in U.S. value.

In animals, grains, and oilseeds, cooperative export values declined at a much greater rate than did U.S. exports, resulting in a drop in cooperative shares. In cotton and fruit, however, the value of U.S. exports dropped at a faster rate than cooperatives, thus the comparative increase in cooperative share.

The value of cooperative exports of vegetables increased, while U.S. value fell, again resulting in the increase in cooperative share. In nut product exports, the drop in

Table 13—Cooperative exports by destination and percent of total cooperative exports, 1980 and 1985

Destination	1980		1985	
	Value (\$1,000)	Percent	Value (\$1,000)	Percent
CANADA	298,423	4.1	61,052	1.8
LATIN AMERICA	655,970	10.4	296,639	8.7
Mexico	92,237	1.4	143,389	4.2
Central America	5,932	0.5	16,561	0.5
Caribbean	12,757	0.5	10,317	0.3
South America	545,044	8.6	126,372	3.7
EUROPE	1,833,697	29.0	670,696	19.8
Western Europe ¹	1,272,269	20.1	468,844	13.8
Eastern Europe ²	561,248	8.9	201,852	5.9
ASIA	2,672,512	42.2	916,242	27.0
West Asia ³	382,420	6.2	141,666	4.2
South Asia ⁴	81,227	1.3	19,320	0.6
SE & E Asia ⁵	2,208,865	34.9	775,256	22.8
AFRICA	113,623	1.9	167,788	4.9
OCEANIA ⁶	4,989	0.5	10,577	0.3
UNKNOWN/ UNREPORTED	787,519	12.4	1,252,955	36.9
TOTAL ⁷	6,366,733		3,395,948	

¹EEC and non-EEC breakdown not available.

²Including U.S.S.R.

³Bahrain, Cyprus, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, Turkey, United Arab Emirates, Yemen.

⁴Bangladesh, India, Nepal, Pakistan, Sri Lanka.

⁵Hong Kong, Indonesia, Malaysia, Philippines, Singapore, Thailand, Japan, People's Republic of China, Taiwan, Korea.

⁶Australia, New Zealand, Papua New Guinea, French Pacific Islands.

⁷Does not add due to rounding.

cooperative share is supported by the slower rate of increase in cooperative export values, compared with U.S. values.

Destinations

Asian destinations remained the largest regional markets for cooperative exports in 1985, although their relative importance declined. As shown in table 13, percent of cooperative exports to Asia fell from 42.2 percent to 27 percent. Southeast and east Asia was the largest market, receiving 22.8 percent although this also represents a decrease from 34.9 percent in 1980 (fig. 5). West Asian and South Asian shares of cooperative exports fell from 6.2 to 4.2 percent, and from 1.3 to 0.6 percent, respectively.

European destinations accounted for 19.8 percent of the value of cooperative exports, down from 29 percent in 1980. Western European destinations dropped from 20.1 percent to 13.8 percent. The Eastern European share fell from 8.9 to 5.9 percent.

Canada's importance as an importer of cooperative products changed significantly from 1980 to 1985. It purchased only 1.8 percent of the total value of exports, compared with 4.1 percent in 1980.

Latin American markets in general also declined somewhat in importance in 1985, falling from 10.4 percent to 8.7 percent. South America accounted for most of this change, dropping from 8.6 percent of cooperative exports to 3.7 percent. Mexico's share increased over the period from 1.4 percent to 4.2 percent, while Central American markets remained stable at 0.5 percent.

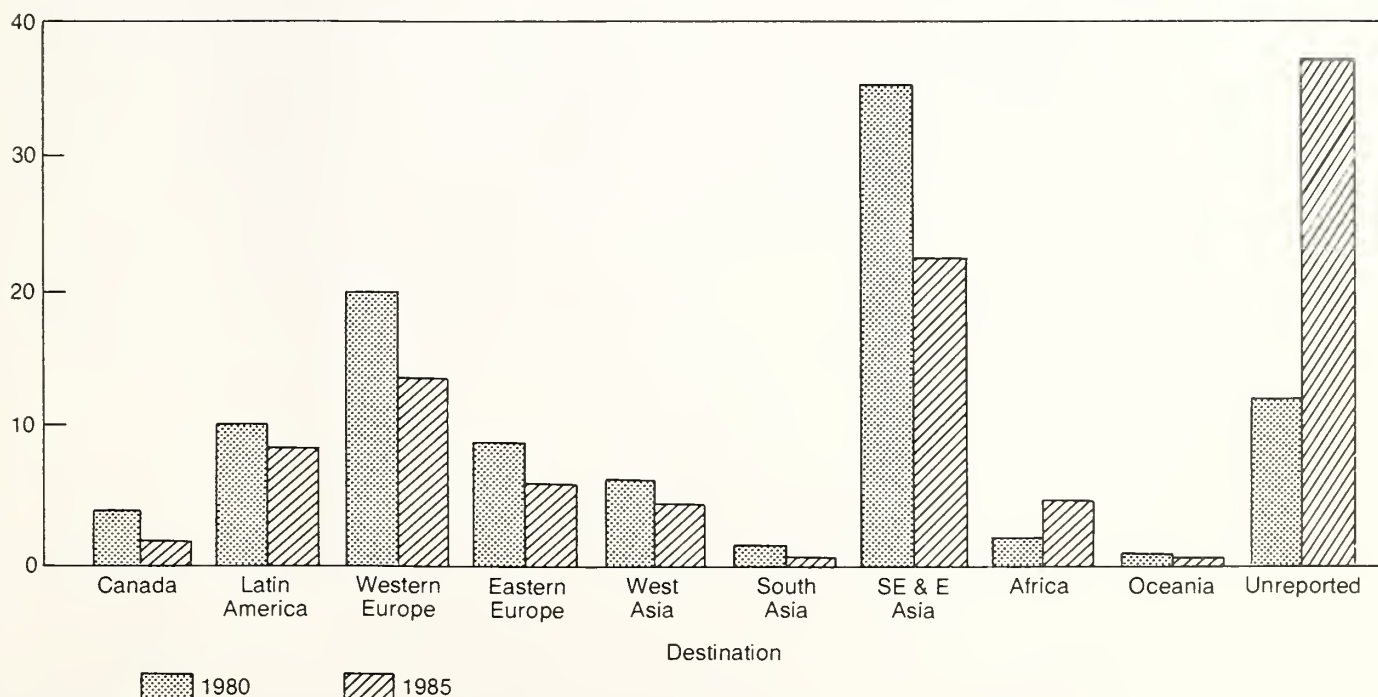
Africa accounted for 4.9 percent of the value of cooperative exports in 1985, up from 1.9 percent in 1980.

The dramatic increase in value and percentage of cooperative exports to destinations unknown or unreported reflects sales, mainly grains and oilseeds, made to domestically based export companies and resold overseas.

Figure 5

Percent of Cooperative Exports, by Destination, 1980 and 1985

Percent



SUMMARY

Although more cooperatives were active in exporting in 1985 than in 1980, total value of cooperative exports declined sharply. Cooperative share of U.S. exports, however, declined only slightly. The decline of cooperative exports largely reflects the decline in U.S. exports, although cooperatives did show increases in export value in vegetables and nuts, and stable or increased shares in fruit, cotton, and vegetables.

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APPENDIX

Methodology

Data for this report were gathered via a one-page mail questionnaire similar to the 1980 ACS survey. The initial mailing was followed by two subsequent mailings, plus one telephone followup to each nonrespondent.

Because the number of exporting cooperatives is relatively small, an attempt was made to identify all of them. This was relatively easy, as most cooperative exporters are known to Agricultural Cooperative Service. Sources used in compiling the list included those identified in the 1980 survey, a group newly identified as exporters by ACS commodity and trade specialists, and a sample taken from ACS statistical data using criteria likely to fit potential exporters. The final mailing list contained 164 cooperatives, and is believed to represent close to 100 percent of cooperative exporters. A total of 129 cooperatives responded to the questionnaire, a 78-percent rate. Of these respondents 87 reported having exported in 1985.

Cooperatives were asked to provide dollar values of exports by commodity group and destination for calendar 1985. It is important to note this information is different from that requested in 1980 because only exports from cooperatives characterized as "direct exporters" were measured. This excluded cooperatives selling products for export to domestically based export merchants or trading companies. That method of measurement also failed to account for the standard industry practice of using export management companies or export merchants in selling some products overseas. Eliminating "direct" and "indirect" definitions of exports results in a more accurate measurement of cooperative products entering the international market. Cooperatives were also asked to list method of sale.

Differences in 1980 and 1985 data due to different reporting methods is most evident in grains and oilseeds. Cooperatives are active exporters of these products but because of the data collection method in the 1980 survey, many of the cooperative exports were listed as indirect. Also, some cooperatives with only indirect sales were excluded from the 1980 data, but these are not believed to be significant except in grains and oilseeds.

This report adjusts the 1980 data to include previously reported indirect sales. This makes the data more nearly comparable with the 1985 data. Comparisons of 1976 and 1980 grains and oilseeds data with 1985 data should be used cautiously.

Though the survey was authorized by law, participation was voluntary and respondents were assured information provided would remain confidential and would not be identifiable.

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Agricultural Cooperative Service (ACS) provides research, management, and educational assistance to cooperatives to strengthen the economic position of farmers and other rural residents. It works directly with cooperative leaders and Federal and State agencies to improve organization, leadership, and operation of cooperatives and to give guidance to further development.

The agency (1) helps farmers and other rural residents develop cooperatives to obtain supplies and services at lower cost and to get better prices for products they sell; (2) advises rural residents on developing existing resources through cooperative action to enhance rural living; (3) helps cooperatives improve services and operating efficiency; (4) informs members, directors, employees, and the public on how cooperatives work and benefit their members and their communities; and (5) encourages international cooperative programs.

ACS publishes research and educational materials and issues Farmer Cooperatives magazine. All programs and activities are conducted on a nondiscriminatory basis, without regard to race, creed, color, sex, age, handicap, or national origin.